

# EXHIBIT

# 3



### **LEGAL MAILING INSTRUCTIONS**

#### **FUND**

#### **MAKE CHECK PAYABLE TO:**

Health, Pension, Industry, 401K, SUPPDC, Roth	WI Pipe Trades Funds One Park Place 11270 W Park Place Suite 950 Milwaukee, WI 53224	<u>\$57,012.77</u>
Dues, Educ, Vacation	Plumbers & Steamfitters Local 118 3030 39th Ave. Room 112 Kenosha, WI 53144-4210	<u>\$7,613.00</u>

#### **MAIL CHECK(S) IN THE ENCLOSED ENVELOPE TO:**

Combined Crafts Statewide Audit Program  
PO Box 862  
Wyocena, WI 53969

January 6, 2025



MECHANICAL MASTERS, INC  
312 South Beaumont Avenue  
Kansasville, WI 53139-0160  
Mr. William Shenkenberg, President

RE: Field Audit Examination of: Friday, December 27, 2024  
Period of Audit: Jan-01-2023 thru Nov-30-2024  
Craft: Kenosha Plumbers #118

Dear Mr. Shenkenberg :

Our field auditor examined your firms payroll records recently to determine if contributions were consistently correct for the various funds within the provisions of the governing trust agreement on behalf of the employees performing work within the jurisdiction.

The audit, including a review of the payroll records, answers to questions presented by the auditor and records of contributions paid to the Fund(s) indicates a deficiency between hours worked and hours reported to the Funds.

We are enclosing for your file, copies of the remittance report forms prepared for you by our audit staff. Kindly remit a check or checks for the indicated total amount below payable per the enclosed mailing instruction sheet.

Kenosha Plumb #118 Pension	\$19,581.71	\$656.49	\$817.24	\$21,055.44
Kenosha Plumb #118 Industry	\$4,827.61	\$0.00	\$0.00	\$4,827.61
Kenosha Plumb #118 Education	\$3,711.89	\$128.62	\$160.11	\$4,000.62
Kenosha Plumb #118 Local Union	\$2,870.00	\$0.00	\$0.00	\$2,870.00
Kenosha Plumb #118 WPT Health	\$18,302.88	\$609.34	\$3,034.09	\$21,946.31
Kenosha Plumb #118 Sup Def.	\$1,138.45	\$40.20	\$200.15	\$1,378.80
	Contributions	Interest	Liq Damages	Grand Total
	\$50,432.54	\$1,434.65	\$4,211.59	\$56,078.78

1 1/2% will be assessed on the unpaid balance.



Payment in full to the Fund is required within fourteen (14) days from the date of this letter. In the event payment is not received in fourteen (14) days, the file will be referred to the collection attorney. The effect of such will be the imposition of liquidated damages of (20%) of the unpaid contributions. Additional Interest, attorney's fees and costs will also be assessed.

The Trustees urge you to make the payment specified within the allocated time to save you additional expenses. For your convenience, and for control purposes, please use the enclosed self-addressed envelope for your remittance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul J. Rosmarck'.

Field Auditor  
Combined Crafts Statewide Audit Program

Enclosure

CC. Mrs. Cindy Balistriere, Client Services Manager

## Combined Crafts Statewide Audit Program

1. Date of Audit: 12/27/24 Reason: Request  
2. Contractor Name: Mechanical Masters, Inc. Structure: Corporation  
3. Address: 312 S. Beaumont Ave. City\State: Kansasville, WI 53139-9432  
4. Invoice s/b sent to: \_\_\_\_\_  
5. Phone No: [REDACTED] 6. Crafts: Kenosha Plumbers #118,  
WI Pipe Trades #118  
\_\_\_\_\_  
\_\_\_\_\_  
7. Owner(s): Pres: William Shenkenberg Secretary: \_\_\_\_\_  
V Pres: \_\_\_\_\_ Treasurer: \_\_\_\_\_  
LLC / SoleProprietor: \_\_\_\_\_  
Contact: William Shenkenberg  
Contact Email [mechmast@gmail.com](mailto:mechmast@gmail.com)

8. Employees not on Remittance Reports : See Attached Addendum: X  
9. No Discrepancies in contributions reported: \_\_\_\_\_  
Discrepancies in contributions reported: X  
Debit/credit Memos outstanding provided by fund office: \_\_\_\_\_

### 10. Comments:

The audit was conducted using weekly payroll records, remittance reports, 941's, UC101's, W-2's and W-3. Company had 1-4 Kenosha Plumbers/WI Pipe Trades #118 that they remitted on and 10-15 other employees. The company only provided detailed payroll records for the employees they identify as Plumbers. The company would not provide any other information as to what type of work the other employees were doing, so I billed them all as Plumbers. To come up with hours to bill each month, I took there quarterly wages, divided by the KP/WPT#118 CBA wages rate and then divided by 3(# of months in each quarter).

KP #118-Delinquent, Omission, Shortage, Overage., WPT #118-Delinquent, Omission, Shortage, Overage.

### 11. Misclassification of Employees:

Indicate here if Auditor furnished with 1099 & 1096 Forms: X  
Indicate here if Employer stated no 1099 Forms filed this Period: \_\_\_\_\_  
12. Signatory to an NBU Agreement? Yes/No? No Craft: \_\_\_\_\_  
NBU Compliance? Yes/No? \_\_\_\_\_  
NBU employee funded under bargaining unit agreement: Yes/No? No  
13. Signatory to an Alumni Agreement? Yes/No? No Craft: \_\_\_\_\_  
Alumni compliance? Yes/No? \_\_\_\_\_  
14. Currently Delinquent? Yes/No? Yes Period: See Attached  
15. Audit Period: 1/1/23 To 11/30/24  
16. Federal ID #: [REDACTED] 17. Auditor: Randy Rosenmerkel  
18. Fund office memos provided? Yes/No? Yes 19. Emplr. Withdrawal No

## **ATTACHED ADDENDUM**

**Company Name:** Mechanical Masters, Inc.

**Date of Audit:** 12/27/24

**Audit Period:** 1/1/23 To 11/30/24

### **Unfunded Employees:**

William Shenkenberg    Owner

Cliff Kamm\*              Concrete Work

\*Received a 1099-misc. income form\*

## PLUMBERS & STEAMFITTERS#118 AUDIT BILLING SUMMARY SHEET

Employer: Mechanical Masters, Inc.  
 Audit Date: 12/27/24  
 Audit Period: 1/1/23 To 11/30/24

Fund	Contributions	L/D's	Interest	Total
Health	18,302.88	3,034.09	609.34	21,946.31
Pension	19,581.71	817.24	656.49	21,055.44
Education	3,711.89	160.11	128.62	4,000.62
IDF(Local)	4,079.97			4,079.97
IDF(Contractor)	747.64			747.64
Vacation	0.00			0.00
Dues	2,870.00			2,870.00
Sup.Def. Contr.	1,138.45	200.15	40.20	1,378.80
	0.00	0.00	0.00	0.00
	0.00			0.00
	0.00	0.00	0.00	0.00
401-k	0.00	0.00	0.00	0.00
Totals:	50432.54	4211.59	1434.65	56078.78

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## PLUMBERS & STEAMFITTERS LIQUIDATED DAMAGES - REFERRAL

Funds	LD Amounts
Health	3,660.58
Pension	3,916.34
Education	742.38
	0.00
	0.00
	0.00
	0.00
Sup.Def. Contr	227.69
	0.00
	0.00
	0.00
401-k	0.00
	8546.99

**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: November '24  
Local # 118

L/D: 1  
 1 of Months Int: 1  
 Auditor: RR

		Auditor: RR				
	Employee	Discrep.	Hours	401-k		
	Klamm, Aydan	Delinquent	209.50	0.00		
	Shenkenberg, Lance	Delinquent	163.25	0.00		
	Villa, Kadin	Delinquent	200.50	0.00		
			0.00	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	573.25	6517.85	1303.57	97.77	7919.19
Pension	12.25	573.25	7022.31	351.12	105.33	7478.76
Education	2.40	573.25	1375.80	68.79	20.64	1465.23
IDF(Local)	2.68	573.25	1536.31			1536.31
IDF(Contractor)	0.55	573.25	315.29			315.29
Vacation	0.00	573.25	0.00			0.00
Dues	1.80	573.25	1031.85			1031.85
Sup.Def. Contr.	0.75	573.25	429.94	85.99	6.45	522.38
	0.00	573.25	0.00	0.00	0.00	0.00
	0.00	573.25	0.00			0.00
	0.00	573.25	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			18229.35	1809.47	230.19	20269.01



**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: September '24  
Local # 118

L/D: 1  
 # of Months Int: 3  
 Auditor: RR

	Auditor: RR					
	Employee	Discrep.	Hours	401-k		
	Klamm, Aydan	Delinquent	157.00	0.00		
	Shenkenberg, Lance	Delinquent	116.50	0.00		
	Villa, Kadin	Delinquent	132.00	0.00		
			0.00	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	405.50	4610.54	922.11	207.47	5740.12
Pension	12.25	405.50	4967.38	248.37	223.53	5439.28
Education	2.40	405.50	973.20	48.66	43.79	1065.65
IDF(Local)	2.68	405.50	1086.74			1086.74
IDF(Contractor)	0.55	405.50	223.03			223.03
Vacation	0.00	405.50	0.00			0.00
Dues	1.80	405.50	729.90			729.90
Sup.Def. Contr.	0.75	405.50	304.13	60.83	13.69	378.65
	0.00	405.50	0.00	0.00	0.00	0.00
	0.00	405.50	0.00			0.00
	0.00	405.50	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			12894.92	1279.97	488.48	14663.37

**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: August '24  
Local # 118

L/D: 1  
 of Months Int: 4  
 Auditor: RR

		Auditor: RR				
	Employee	Discrep.	Hours	401-k		
	Schenning, Ethan	Delinquent	0.00	0.00		
	Shenkenberg, Lance		175.00	0.00		
	Winkelman, Scott		0.00	0.00		
	Mattes, Brandon		0.00	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	175.00	1989.75	397.95	119.39	2507.09
Pension	12.25	175.00	2143.75	107.19	128.63	2379.57
Education	2.40	175.00	420.00	21.00	25.20	466.20
IDF(Local)	2.68	175.00	469.00			469.00
IDF(Contractor)	0.55	175.00	96.25			96.25
Vacation	0.00	175.00	0.00			0.00
Dues	1.80	175.00	315.00			315.00
Sup.Def. Contr.	0.75	175.00	131.25	26.25	7.88	165.38
	0.00	175.00	0.00	0.00	0.00	0.00
	0.00	175.00	0.00			0.00
	0.00	175.00	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			5565.00	552.39	281.10	6398.49

**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: June '24  
Local # 118

L/D: 1  
 # of Months Int: 6  
 Auditor: RR

		Auditor: RR				
	Employee	Discrep.	Hours	401-k		
	Schenning, Ethan	Delinquent	0.00	0.00		
	Shenkenberg, Lance		180.50	0.00		
	Winkelman, Scott		0.00	0.00		
	Mattes, Brandon		0.00	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	180.50	2052.29	410.46	184.71	2647.46
Pension	12.25	180.50	2211.13	110.56	199.00	2520.69
Education	2.40	180.50	433.20	21.66	38.99	493.85
IDF(Local)	2.68	180.50	483.74			483.74
IDF(Contractor)	0.55	180.50	99.28			99.28
Vacation	0.00	180.50	0.00			0.00
Dues	1.80	180.50	324.90			324.90
Sup.Def. Contr.	0.75	180.50	135.38	27.08	12.18	174.64
	0.00	180.50	0.00	0.00	0.00	0.00
	0.00	180.50	0.00			0.00
	0.00	180.50	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			5739.92	569.76	434.88	6744.56



**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: April '24  
Local # 118

L/D: 0  
 10 of Months Int: 0  
 Auditor: RR

Auditor: RR						
	Employee	Discrep.	Hours	401-k		
	Schenning, Ethan	Shortage	0.00	0.00		
	Shenkenberg, Lance		0.00	0.00		
	Winkelman, Scott		0.00	0.00		
	Mattes, Brandon		19.50	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	19.50	221.72	0.00	0.00	221.72
Pension	11.75	19.50	229.13	0.00	0.00	229.13
Education	1.85	19.50	36.08	0.00	0.00	36.08
IDF(Local)	1.83	19.50	35.69			35.69
IDF(Contractor)	0.05	19.50	0.98			0.98
Vacation	0.00	19.50	0.00			0.00
Dues	1.70	19.50	33.15			33.15
Sup.Def. Contr.	0.50	19.50	9.75	0.00	0.00	9.75
	0.00	19.50	0.00	0.00	0.00	0.00
	0.00	19.50	0.00			0.00
	0.00	19.50	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			566.50	0.00	0.00	566.50

**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: March '24  
Local # 118

L/D: 0  
 4 of Months Int: 0  
 Auditor: RR

		Auditor: RR				
	Employee	Discrep.	Hours	401-k		
	Schenning, Ethan	Shortage	11.00	0.00		
	Shenkenberg, Lance	Shortage	4.00	0.00		
	Winkelman, Scott	Omission	9.50	0.00		
	Mattes, Brandon	Shortage	6.00	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	30.50	346.79	0.00	0.00	346.79
Pension	11.75	30.50	358.38	0.00	0.00	358.38
Education	1.85	30.50	56.43	0.00	0.00	56.43
IDF(Local)	1.83	30.50	55.82			55.82
IDF(Contractor)	0.05	30.50	1.53			1.53
Vacation	0.00	30.50	0.00			0.00
Dues	1.70	30.50	51.85			51.85
Sup.Def. Contr.	0.50	30.50	15.25	0.00	0.00	15.25
	0.00	30.50	0.00	0.00	0.00	0.00
	0.00	30.50	0.00			0.00
	0.00	30.50	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			886.05	0.00	0.00	886.05

**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: February '24  
Local # 118

L/D: 0  
 4 of Months Int: 0  
 Auditor: RR

		Auditor: RR				
	Employee	Discrep.	Hours	401-k		
	Schenning, Ethan	Shortage	49.00	0.00		
	Shenkenberg, Lance		0.00	0.00		
	Winkelman, Scott	Shortage	60.50	0.00		
	Mattes, Brandon	Shortage	1.50	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	111.00	1262.07	0.00	0.00	1262.07
Pension	11.75	111.00	1304.25	0.00	0.00	1304.25
Education	1.85	111.00	205.35	0.00	0.00	205.35
IDF(Local)	1.83	111.00	203.13			203.13
IDF(Contractor)	0.05	111.00	5.55			5.55
Vacation	0.00	111.00	0.00			0.00
Dues	1.70	111.00	188.70			188.70
Sup.Def. Contr.	0.50	111.00	55.50	0.00	0.00	55.50
	0.00	111.00	0.00	0.00	0.00	0.00
	0.00	111.00	0.00			0.00
	0.00	111.00	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			3224.55	0.00	0.00	3224.55



**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: December '23  
Local # 118

L/D: 0  
 10 of Months Int: 0  
 Auditor: RR

	Auditor: RR					
	Employee	Discrep.	Hours	401-k		
	Schenning, Ethan	Shortage	10.50	0.00		
	Shenkenberg, Lance	Shortage	55.00	0.00		
	Winkelman, Scott	Shortage	13.50	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	79.00	898.23	0.00	0.00	898.23
Pension	11.75	79.00	928.25	0.00	0.00	928.25
Education	1.85	79.00	146.15	0.00	0.00	146.15
IDF(Local)	1.83	79.00	144.57			144.57
IDF(Contractor)	0.05	79.00	3.95			3.95
Vacation	0.00	79.00	0.00			0.00
Dues	1.70	79.00	134.30			134.30
Sup.Def. Contr.	0.50	79.00	39.50	0.00	0.00	39.50
	0.00	79.00	0.00	0.00	0.00	0.00
	0.00	79.00	0.00			0.00
	0.00	79.00	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			2294.95	0.00	0.00	2294.95

**PLUMBERS & STEAMFITTERS#118 REMITTANCE REPORT FORM - FIELD AUDIT BILLING**

Employer: Mechanical Masters, Inc.  
Address: 312 S. Beaumont Ave.  
Kansasville, WI 53139

Work Mo: November '23  
Local # 118

L/D: 0  
 10 of Months Int: 0  
 Auditor: RR

		Auditor: RR				
	Employee	Discrep.	Hours	401-k		
	Schenning, Ethan	Shortage	6.00	0.00		
	Shenkenberg, Lance	Shortage	19.00	0.00		
	Winkelman, Scott	Shortage	10.50	0.00		
Fund	Contr. Rate per Hr.	Total Hrs.	Contr. Amt.	L/D's	Interest	Total
Health	11.37	35.50	403.64	0.00	0.00	403.64
Pension	11.75	35.50	417.13	0.00	0.00	417.13
Education	1.85	35.50	65.68	0.00	0.00	65.68
IDF(Local)	1.83	35.50	64.97			64.97
IDF(Contractor)	0.05	35.50	1.78			1.78
Vacation	0.00	35.50	0.00			0.00
Dues	1.70	35.50	60.35			60.35
Sup.Def. Contr.	0.50	35.50	17.75	0.00	0.00	17.75
	0.00	35.50	0.00	0.00	0.00	0.00
	0.00	35.50	0.00			0.00
	0.00	35.50	0.00	0.00	0.00	0.00
401-k			0.00	0.00	0.00	0.00
Totals:			1031.30	0.00	0.00	1031.30